

Service Credit and Vesting

Each year that you teach, you will earn service credit. Your employer is required to report the number of compensated hours you are employed during each fiscal year (July 1 – June 30). A member cannot receive more than one year of TFFR service credit each fiscal year.

If you are employed for 700 hours or more, you will receive one year of service credit. If you are employed less than 700 hours, you will receive a fractional year of service credit calculated by dividing your compensated hours by 700. If you take an unpaid leave of absence, your service credit earned for that year may be affected.

Examples:

- 700 hours = 1.000 service credit
- 650 hours = .929 service credit (650/700)

Service credit is used to calculate your retirement benefit. Please review your service credit on your TFFR online account.

A vested member is entitled to a monthly retirement benefit whether it be an unreduced or a reduced benefit. Below is the vesting schedule:

Tier 1 members – those who have **3 years** of earned service credit

Tier 2 members – those who have **5 years** of earned service credit